Herefordshire Association of Local Councils (HALC)

Internal Audit Service

INTERNAL AUDIT REPORT

Orleton Parish Council 2024/25

1. Introduction

HALC undertook the internal audit for 2024-25 and was grateful for the detail and organisation that had gone into preparing the necessary documents by the Clerk. It is noted that the Parish Council had a quick turnover of clerks during this year. There is now a qualified clerk in place and processes are being consistently applied moving forwards.

2. 2023/24 Internal Audit recommendations?

	Item	Completed?
1	The Parish Council consider cyber security cover at their next Insurance review.	Yes

3. Findings of the Audit

	Scope	Observation	Pass	Rec
3.A	Appropriate accounting records have been properly kept throughout the financial year		Yes	
3.B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.		Yes	**R1**
3.C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		Yes	
3.D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		Yes	
3.E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.		Yes	

	Scope	Observation	Pass	Rec
3.F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.		N/A	
3.G	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied		Yes	
3.H	Asset and investments registers were complete and accurate and properly maintained.		Yes	
3.I	Periodic and year-end bank account reconciliations were properly carried out.		Yes	**R2**
3.J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.		Yes	
3.K	IF the authority certified itself as exempt from a limited assurance review in 2023/24 it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")*		N/A	
3.L	The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with legislation		Yes	
3.M	In the year covered by this AGAR the authority correctly provided for the exercise of public rights as required by the Accounts		Yes	

	Scope	Observation	Pass	Rec
	and Audit Regulations (during the 2024/25 AGAR period were public rights in relation to the 2023/24 AGAR evidenced by a notice on the website and /or authority approved minutes confirming the dates set)			
3.N	The authority has complied with the publication requirements for 2023/24 AGAR		Yes	
3.O	Trust funds(including charitable) The council met its responsibility as a trustee		N/A	
3.P	Annual Return Complete		Yes	

4. Recommendations

4.1 Moving forwards, invoices need to be consistently signed by two signatories.

4.2 Moving forwards bank reconciliations and independent verification thereof needs to be consistently reported and put alongside the minutes.

Annual Return- Internal Control Objective

	Objective	Yes	No	Not Covered	Rec No
A	Appropriate accounting records have been properly kept throughout the financial year	X			
B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.	X			**R1**
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	X			
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	X			
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	X			
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.			**X**	
G	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	X			
H	Asset and investments registers were complete and accurate and properly maintained.	X			

	Objective	Yes	No	Not Covered	Rec No
I	Periodic and year-end bank account reconciliations were properly carried out.	X			**R2**
J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	X			
K	If the authority certified itself as exempt from a limited assurance review in 2023/24 it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")*			**X**	
L	The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with legislation	X			
M	In the year covered by this AGAR the authority correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2024/25 AGAR period were public rights in relation to the 2023/24 AGAR evidenced by a notice on the website and /or authority approved minutes confirming the dates set)	X			
N	The authority has complied with the publication requirements for 2023/24 AGAR	X			
O	Trust funds (including charitable) The council met its responsibility as a trustee	N/A			

HALC Internal Audit Services
11th June 2025